

*The Board of Trustees
of the
School and Institutional Trust Lands Administration*

☒ *New Policy* ☐ *Amends Policy No.* ☐ *Repeals Policy No.*

Policy Statement No. 98-03

Subject: Sale of Non-Trust Lands at Auction

The Board of Trustees of the School and Institutional Trust Lands Administration met in open, public session on November 4, 1998, and by majority vote declared the following to be an official policy of the Board:

With the consent of the State Risk Manager, the Board supports the marketing and disposal of non-trust lands by the Trust Lands Administration on a trial basis, subject to the following limitations:

1. This service will be made available only to the beneficiaries of the trust and their closely related institutions.
2. This policy shall remain in effect for one year from the date of adoption unless extended by the vote of a majority of the Board in an open public session.
3. The Trust Lands Administration shall have absolute discretion to not market particular properties, and shall not market any properties it believes may have limiting conditions (e.g. encumbrances, etc.).
4. The Trust Lands Administration shall enter into a contract with the entity for which it will be marketing and disposing of the property (the "seller"). The contract shall include at least the following provisions:
 - a. The seller will reimburse the Trust Lands Administration for its actual costs of marketing and selling the property.
 - b. The minimum acceptable selling price, which shall be set by the seller and any other instructions from seller to the Trust Lands Administration.
 - c. The duties to be performed by the Trust Lands Administration.
 - d. A provision holding the Trust Lands Administration harmless and indemnifying it from any and all claims, including claims relating to the validity of title, the correctness of the legal description and hazardous waste liability. There may be an exception, however, for an improper sale by the Trust Lands Administration for less than the minimum acceptable selling price.

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- e. A requirement that the seller obtain title insurance and provide the original documentation to the Trust Lands Administration prior to the date of the sale.
 - f. A requirement that the seller provide the Trust Lands Administration with an executed conveyance document to be used by the Trust Lands Administration in the event the property is sold for at least the minimum selling price.
5. Sales of non-trust lands shall be cash sales.
6. At any sale involving non-trust lands property, the Trust Lands Administration should announce the fact of a guaranteed minimum price and explicitly disclaim any warranties or representations of title by the Trust Lands Administration.